



PUBLIC NOTICE

Federal Communications Commission
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Released: December 22, 2005

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF TELEGLOBE AMERICA INC., FROM TELEGLOBE INTERNATIONAL HOLDINGS, LTD, TO VSNL TELECOMMUNICATIONS (BERMUDA) LTD.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-346

Comments Due: January 5, 2006

Reply Comments Due: January 12, 2006

On December 13, 2005 Teleglobe America Inc. ("TAI"), its ultimate parent company, Teleglobe International Holdings Ltd ("TIHL"), and VSNL Telecommunications (Bermuda) Ltd. ("VSNL Bermuda Telco") (collectively, the "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules,¹ seeking authority to transfer control of TAI from TIHL to VSNL Bermuda Telco.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(1)(ii) of the Commission's rules because neither VSNL Bermuda Telco nor its affiliates provide domestic interstate telecommunications services or have an ownership interest in any company that provides domestic telecommunications services.³

TAI, a Delaware corporation, provides both facilities-based and resold telecommunications services to wholesale customers in the United States. TAI is an indirect wholly owned subsidiary of TIHL.

¹ 47 C.F.R. § 63.04; *see* 47 U.S.C. § 214.

² Applicants are also filing applications for transfer of control associated with authorization for international services and cable landing licenses. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

³ 47 C.F.R. § 63.03(b)(1)(ii).

TIHL, a Bermuda company, is a publicly traded holding company whose shares trade on the NASDAQ stock exchange. TIHL's subsidiaries provide a variety of international telecommunications services around the world. The current indirect majority owners of TIHL are four investment funds that are affiliated with Cerberus Capital Management, LP, a Delaware limited partnership.

VSNL Bermuda Telco, a Bermuda company, was formed to amalgamate (i.e., combine) with TIHL. VSNL Bermuda Telco does not have any domestic interstate telecommunications operations or assets in the United States. Videsh Sanchar Nigam Limited ("VSNL"), the parent company of VSNL Bermuda Telco, is an India limited company, and its shares are publicly traded on the Bombay Stock Exchange and India's National Stock Exchange. VSNL's American Depositary Receipts ("ADRs") trade on the New York Stock Exchange. By virtue of its aggregate 44.72 percent ownership interest in VSNL,⁴ the Tata Group, an India commercial conglomerate, exercises a controlling ownership and managerial interest in VSNL for purposes of Commission rules and regulations. The Government of India holds an approximate 26 percent ownership interest in VSNL. The Bank of New York, a U.S. financial institution, holds 5.59 percent of VSNL as depository to VSNL's ADR issue.⁵ No other person or entity holds, directly or indirectly, a 10 percent or greater ownership interest in VSNL.

VSNL is the principal provider of public international telecommunications services and a provider of Internet, wireless and other telecommunications services in India. VSNL also operates undersea cable facilities in India, North America, Europe and southeast Asia through its subsidiaries. In the United States, VSNL provides certain international telecommunications services through its VSNL America, Inc. subsidiary ("VAI").⁶ VSNL recently completed the acquisition of the TGN submarine cable landing licenses and operations through its subsidiary VSNL telecommunications (US) Inc. ("VSNL US"). VAI and VSNL US provide exclusively international services in the United States market today.

Pursuant to the Agreement and Plan of Amalgamation, dated July 25, 2005, by and among TIHL, VSNL, and VSNL Bermuda Telco, VSNL Bermuda Telco will amalgamate with TIHL, and each issued and outstanding common share in the share capital of TIHL will be converted into the right to receive a cash payment (other than any shares directly or indirectly owned by VSNL or VSNL Bermuda Telco or indirectly owned by TIHL, and any dissenting shares). Following the amalgamation of VSNL Bermuda Telco with TIHL, TIHL will cease to exist as a publicly held company, and the combined company, VSNL Bermuda Telco, will be a privately held, direct wholly-owned subsidiary of VSNL. As a result of the amalgamation, VSNL Bermuda Telco will have an indirect controlling interest in TAI. Consummation of the

⁴ As of September 30, 2005.

⁵ As of September 30, 2005.

⁶ VAI holds international Section 214 authority to provide international telecommunications services between the United States and authorized international points and is regulated as a dominant carrier on the United States-India route. See *VSNL America Inc.*, Order, Authorization and Certificate, 19 FCC Rcd 16,555 (IB 2004).

proposed Transaction is contingent upon receipt of necessary regulatory approvals from U.S. and foreign regulatory authorities, among other things.⁷

Applicants state that the proposed transaction serves the public interest because the change in ownership of TAI will not have any adverse impact on existing customers. TAI will continue to provide communications services to its customers without interruption and without immediate change in rates, terms, or conditions. VAI, VSNL US, VSNL, and VSNL Bermuda Telco have entered into a national security agreement with the Department of Defense, the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation (the "Executive Branch Agencies"). Under the agreement, the Executive Branch Agencies have no objection to the Commission granting its approval of this Application, provided that the Commission conditions its grant of approval on compliance with the April 7, 2005 national security agreement negotiated by the parties as revised by an amendment dated December 12, 2005. The Applicants do not object to placing this condition on the grant of the application.⁸

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before January 5, 2006 and reply comments on or before January 12, 2006.**⁹ Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice.¹⁰ Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.

⁷ On November 21, 2005, the United States Federal Trade Commission granted Applicants early termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15 U.S.C. § 18a, and 16 C.F.R. Parts 801-03.

⁸ App. at 7.

⁹ See 47 C.F.R. § 63.03(a).

¹⁰ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. *If more than one docket or rulemaking number appears in the caption of this proceeding*, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: tracey.wilson-parker@fcc.gov;
- (3) Adam Kirschenbaum, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C211, Washington, D.C. 20554; e-mail: adam.kirschenbaum@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Adam Kirschenbaum at (202) 418-7280.

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